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#### Wiley,Rein & Fielding

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November 28, 2000

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OFFICE OF THE SECRETARY

Peter D. Ross (202) 719-4232 pross@wrf.com

Ms. Magalie Roman Salas Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W.—The Portals TW-B204 Washington, D.C. 20554

Re:

America Online, Inc. Notice of *Ex Parte* Presentation Applications of America Online, Inc. and Time Warner Inc. for Transfers of Control, CS Docket No. 00-30\_

Dear Ms. Salas:

On behalf of America Online, Inc. ("AOL") and Time Warner Inc. ("Time Warner") (collectively, the "Applicants"), submitted herewith pursuant to Section 1.1206(b)(2) of the Commission's rules are an original and one copy of this notice regarding a permitted *ex parte* presentation in the above-referenced proceeding. On November 27, 2000, George Vradenburg, III, Senior Vice President, Global and Strategic Policy, AOL; Steven N. Teplitz, Vice President, Telecommunications Policy, AOL; Catherine R. Nolan, Vice President, Law & Public Policy, Time Warner Inc.; and Richard E. Wiley and Peter D. Ross of Wiley, Rein & Fielding met with Commissioner Ness and her legal advisor David Goodfriend to discuss issues relating to instant messaging and AT&T's interest in Time Warner Entertainment Company, L.P. ("TWE").

During this meeting, Applicants discussed a number of issues relating to AT&T's interest in Time Warner Entertainment Company, L.P. ("TWE"), in particular: the means by which AT&T may divest itself of its interest in TWE; the private contractual nature of any negotiations with AOL Time Warner that may result from AT&T seeking to cure its ownership cap violation by selling the limited TWE interest it willingly purchased as part of its MediaOne acquisition; and the absence of any ownership or contractual relations arising from this merger that will create any "AT&T connection" that would harm competition in any relevant arena. Applicants' positions on these subjects are set forth in three ex parte submissions -- one to Ms. Deborah Lathen dated October 5, 2000 and two to Ms. Kathryn C. Brown dated October 13, 2000 and November 16, 2000.

Applicants also provided Commissioner Ness and Mr. Goodfriend with the attached charts depicting Microsoft's MSN Messenger's and Yahoo! Messenger's rapid growth and plainly demonstrating that instant messaging has not "tipped" toward AOL.

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Kindly direct any questions regarding this matter to the undersigned.

Respectfully submitted,

Peter D. Ross

Attachments

cc: Commissioner Ness
David Goodfriend
James Bird
Royce Dickens
Linda Senecal
International Transcription Services, Inc.

Growth in Unique Visitors to Instant Messaging Services 2000

	April - August Change in	July - August Change in
Service	Unique Visitors	Unique Visitors
AOL Instant Message Application *	12.9%	0.5%
AIM	11.8%	1.8%
MSN Messenger	78.3%	22.2%
	-0.5%	-0.5%
Yahoo! Messenger	n/a	21.8%

<sup>\*</sup> This is the Instant Messenger application within the AOL service.

Source: Media Metrix (Home/Work).

#### Yahoo! Messenger and MSN Messenger Service are Fastest Growing Instant-Messaging Applications in the U.S.

Combined, AOL's Instant Messenger and ICQ share nearly a third of their users with either Yahoo! Messenger or MSN Messenger Service

Majority of Yahoo! Messenger and MSN Messenger Service users utilize at least one other competing instant-messaging or chat application

NEW YORK--(BUSINESS WIRE)--Nov. 16, 2000-- Media Metrix, Inc., the pioneer and leader in Internet and Digital Media measurement worldwide, today reports that while AOL Instant Messenger remains the dominant instant-messaging application according to overall users in the U.S., Yahoo! Messenger and MSN Messenger Service each have accumulated approximately half the number of users as AOL Instant Messenger and have become the fastest growing instant-messaging applications in terms of overall users over the past year.

Yahoo! Messenger, from its launch in June 1999, grew to 10.6 million users in August 2000, while MSN Messenger Service, from its launch in July 1999, grew to 10.3 million users in August 2000. AOL Instant Messenger, which launched in May 1997, grew from 18.1 million users in August 1999 to 21.5 million users in August 2000.

"Instant-messaging applications are proving to be very popular with consumers," said Doug McFarland, president, Media Metrix. "But their different features and lack of interoperability cause users, especially heavy users, to adopt more than one brand in order to keep in touch with all their friends and colleagues."

#### Media Metrix Digital Media Report

Unique Users(000) Home/Work Combined in the U.S. August 1999 and August 2000

Instant Messenger and Chat Applications	Unique Users (000)	
<del></del>	August 1999	August 2000
AOL Instant Messenger	18,086	21,523
ICQ Chat	10,435	9,118
Yahoo! Messenger(1)(2)	N/A	10,596
MSN Messenger(1)	N/A	10,333

- (1) Yahoo! Messenger and MSN Messenger Service data not available in August 1999
- (2) After upgrades, Yahoo! Pager was renamed Yahoo! Messenger in Summer 1999.

#### Media Metrix Digital Media Report

Unique Users (000) of Instant-Messaging and Chat Applications in the U.S. and Percent That Used at Least One Other Competing Instant-Messaging or Chat Application(3)

August 2000 at Home				
	Unique Users (000)	% That Used at Least One Other Competing Instant-Messaging or Chat Application(3)		
Unduplicated Total of AOL Instant Messenger and ICQ Chat Application	23,864	32.2%		
AOL Instant Messenger	18,686	32.0%		
ICQ Chat	8,626	47.6%		
Yahoo! Messenger(4)	9,371	57.7%		
MSN Messenger	8,798	54.9%		

<sup>(3)</sup> AOL Instant Messenger and ICQ are both owned by AOL and therefore defined as non-competing applications

<sup>(4)</sup> After upgrades, Yahoo! Pager was renamed Yahoo! Messenger in Summer 1999.

### Media Metrix Digital Media Report Unique Users (000) of Instant-Messaging and Chat Applications in the U.S. and Percent that Used at Least One Other Competing Instant-Messaging or Chat Application(5)

August 2000 at Work				
	Unique Users (000)	% That Used at Least One Other Competing Instant-Messaging or Chat Application(5)		
Unduplicated Total of AOL Instant Messenger				
and ICQ Chat Application	6,639	34.0%		
AOL Instant Messenger	4,627	25.6%		
ICQ Chat	1,429	69.8%		
Yahoo! Messenger(6)	1,878	78.5%		
MSN Messenger	2,380	83.1%		

<sup>(5)</sup> AOL Instant Messenger and ICQ are both owned by AOL and therefore defined as non-competing applications

(6) After upgrades, Yahoo! Pager was renamed Yahoo! Messenger in Summer 1999.

#### **Media Metrix Definitions:**

Unique Users: The estimated number (expressed in thousands) of different individuals who used the application software at least once in the given time period. All Unique Users are unduplicated (only counted once).

#### **About Media Metrix**

Media Metrix, a Jupiter Media Metrix Company, is the leader and pioneer in Internet and Digital Media measurement and the industry's source for the most comprehensive, reliable, and timely audience, e-commerce and technology measurement services. The Company provides the most comprehensive coverage of all Digital Media including more than 25,000 Web sites and online properties. Media Metrix utilizes its patented operating-system metering methodology to track Internet and Digital Media audience usage behavior in real-time - click-by-click, page-by-page, minute-by-minute. Today, Media Metrix has a representative sample of more than 100,000 people under measurement and covers

more than 85 percent of Internet usage worldwide. Visit us at www.mediametrix.com for more information.

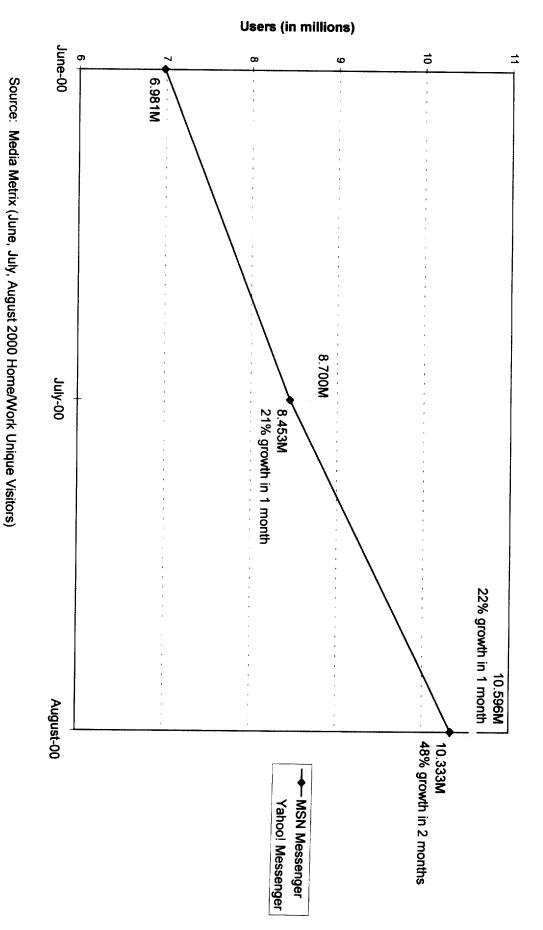
#### About Jupiter Media Metrix

Jupiter Media Metrix (NASDAQ:JMXI), formed by the merger of Jupiter Communications and Media Metrix, is a global leader in market intelligence for the new economy. The Company delivers innovative and comprehensive Internet measurement, analysis, intelligence and events to provide businesses with unmatched global resources for understanding and profiting from the Internet. Jupiter Media Metrix brings together world-class, innovative and market-leading products, services, research methodologies and people. Jupiter Media Metrix brands include Media Metrix, AdRelevance, Jupiter Research and Jupiter Events. The Company is headquartered in New York City and operates worldwide, across the Americas, Asia Pacific, Europe (as Jupiter MMXI Europe), and the Middle East. Visit us at www.jmm.com for more information.

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# MSN Messenger And Yahoo! Messenger Are Experiencing Tremendous Growth



## MSN Messenger Growth

